



## **Survey of Continuous Leavers: Left W-2 Assistance and Did Not Return April through June 1998 Quarterly Report**

### **Summary**

This is a summary of a report entitled *Survey of Continuous Leavers: Left W-2 Assistance and Did Not Return, April through June 1998 Quarterly Report*. Publication of this report coincides with the release of a final report combining survey data from the second, third, and fourth quarters (together encompassing April through December) of 1998 and covering both continuous leavers and leavers who eventually returned to assistance. Information about obtaining full printed copies of that final report as well as of the second quarter report summarized here is provided at the end of this summary document.

The *Survey of Continuous Leavers: April through June, 1998 Quarterly Report* reports on the survey responses of people who stopped receiving cash assistance under the Wisconsin Works (W-2) program in the second quarter (April-June) of 1998. "Continuous leavers" are defined as those who left and did not return by the time they were interviewed, which ranged from 13 to 18 months from the time they stopped receiving cash assistance. Those who left W-2 and returned to receive cash assistance by the time they were interviewed are not included in this report.

The report is based on completed interviews with 267 people who were randomly selected from all W-2 leavers in the second quarter of 1998. Special efforts were made to achieve a high response rate for the survey and statistical tests show that those who responded to the survey accurately represent the larger population of leavers. The survey gathered a wide variety of information on employment, earnings, W-2 participation, other assistance families might have received, household composition, and child-care experiences. The survey also probed attitudes about W-2, Aid to Families with Dependent Children (AFDC) and employment, as well as perceptions of changes that may have occurred among family members since leaving assistance.

This second quarter report includes many comparisons between subgroups of continuous leavers who left cash assistance in the second quarter and continuous leavers who left in the first quarter of 1998. No statistical tests were conducted to establish significant associations or differences between groups or quarters, so comparisons reported here should be considered with that caution.

It should be noted that the period covered in the second quarter survey was one of considerable transition in the Wisconsin program. Caseloads were dropping rapidly and Milwaukee County was in the process of transferring cases from the AFDC program to the new W-2 program. In addition, these results and other research were used by policy-makers to refine the program since the period covered by this report. Therefore, some of the experiences described in this report may not apply to the current W-2 caseload and program.

## **Demographics**

The households of continuous leavers in the second quarter exhibit characteristics often associated with barriers to employment. They are mostly single parents, with more than one child and usually with one or more young children.

- 64 percent of the households contained only one adult
- 15 percent comprised a “nuclear family,” with the leaver, a spouse or co-parent and one or more children
- 67 percent were single and another 20 percent were divorced or separated
- the average number of children per leaver household was 2.2
- 87 percent had at least one child under age 13 and 39 percent had at least one child under age 5

In addition, 40 percent of the continuous leavers reported having one or more adults in the household who had not completed high school.

About 46 percent of the continuous leavers in the second quarter were African-American while only 37 percent in first quarter were African-American.

## **Employment and Earnings**

The typical continuous leaver in the second quarter was working, for an average of 34 hours per week, at an average wage of \$7.82 per hour.

- 64 percent were employed at the time of the interview
- 21 percent were not working but had worked since leaving cash assistance
- of those working, 41 percent had been at the job less than 3 months

The average and median wage of second quarter continuous leavers appears somewhat higher than for the first quarter leavers.

About half of those working held jobs in the service sector. Of those jobs held by continuous leavers,

- jobs in health services, education, government and public sector paid the best
- jobs in retail, eating and drinking paid the least

About 36 percent of the continuous leavers were not working at the time of the interview. The most frequent reason for not working was that the person was sick, injured or disabled or was caring for someone who was sick, injured or disabled. Child care was also cited frequently as a reason for not working. Of those not working,

- 25 percent said they were not working because of illness, injury or disability
- caring for a child was cited as a reason for not working by 16 percent and other child-care issues were indicated by 16 percent
- 11 percent said they were not working because they could not find a job

## **Support for Non-working Leavers**

The typical continuous leaver who was *not working* was receiving some cash or non-cash benefit. A few were living with a working spouse or co-parent. Of the remaining, most received some cash benefit but about a quarter received only non-cash benefits, such as food stamps, Medicaid or rent subsidies. Of those *not working*

- 32 percent said they got only non-cash benefits, such as food stamps
- 15 percent were living with a working adult

Of those who were *not working* and *not living with a working adult*,

- 60 percent were getting some cash benefits from sources such as Supplemental Security Income (SSI)
- 7 percent were not getting any cash or non-cash benefits

## **Additional Services and Benefits**

About half of all continuous leavers (working and not working) said their children received free or reduced-cost school lunches. In addition,

- 44 percent were receiving food stamps
- 35 percent were receiving benefits from the WIC program
- 30 percent were getting some child support from the absent parent
- 29 percent were getting energy assistance
- 22 percent received a child-care subsidy
- 22 percent were getting rent assistance
- 22 percent got help from family or friends in paying bills
- 12 percent got charitable food

In addition, 16 percent of all continuous leavers had some SSI or Social Security Disability Income for themselves or someone else in their household.

## **Basic Needs and Supports**

About 60 percent of the adults and 78 percent of the children in continuous leavers households had health care coverage at the time of the interviews. Those with coverage were much more likely to be covered by Medicaid than by private medical insurance plans. Only 59 percent knew that adults could qualify for Medicaid after leaving W-2 and 79 percent knew that children could qualify after the family left W-2.

Patterns of health care coverage seem similar in the first and second quarters.

Many continuous leavers reported economic problems since leaving cash assistance. About 58 percent said they had gotten behind in utility bills and 42 percent said they had gotten behind in rent payments. In addition,

- 34 percent had a telephone cut off
- 23 percent moved because they couldn't pay for housing
- 18 percent moved in with someone, and 10 percent had someone move in with them, to share household expenses
- 7 percent had children live elsewhere because they couldn't care for them
- 6 percent reported going to a homeless shelter

Occurrences of continuous leavers moving in with someone, or having someone move in with them, to share household expenses appears to be somewhat lower in the second quarter when compared to the first.

Continuous leavers who had some form of housing assistance—including rent subsidies, public housing or Section 8 vouchers—appeared to be less likely to experience housing-related problems than those who had no housing assistance.

About half of the continuous leavers said they had experienced a time after leaving W-2 when they had no way to buy food. Those people said they got food in the following ways:

- 46 percent received food or money for food from friends or relatives
- 30 percent got food from pantries, shelters or charity
- 13 percent were given food by churches
- 4 percent said that when they could not buy food they “went hungry.”

## **Opinions**

Continuous leavers had mixed feelings about changes in their lives since leaving W-2. While 55 percent said, after leaving W-2, they were feeling better about themselves, those who were working seemed more likely to respond that way than those who were not working. About half of all Continuous leavers said they were feeling better about managing their lives and were more satisfied with life. Again, those who were working seemed more likely to say they were feeling better about their lives than those who were not working.

About 46 percent said they were feeling more stress since leaving W-2 and 40 percent said they worried more about their families and about money than they did before leaving W-2. Those who were not working at the time of the interview seemed to report greater feelings of stress.

Overall, 40 percent said they saw a positive change in their children’s behavior after leaving W-2, while 9 percent said they saw a decline.

Most continuous leavers said they saw no change in their children’s emotions, attitudes and school performance after leaving W-2. However, those who did notice a change were more likely to report a positive change than a negative change.

A large portion of respondents believed the W-2 program did not help them obtain a job. About 72 percent said they thought they had all the skills, education and capability they needed to obtain a job before applying for W-2 and 83 percent said the program did not help them get a job.

## **Child Care**

For each child under age 13 in the household, the respondent was asked, when the child is not in school and when they are at work, training or searching for a job, who cares for the child. For 26 percent of the children under age 13, the respondent said the child was not in some form of child care.

For the children in some form of child care, 68 percent used some form of informal care, including relatives and friends. Another 31 percent used formal child care, including child-care centers or family day care homes.

About 20 percent of the continuous leavers with a child under age 13 reported child-care problems, including:

- being unable to work full time
- having to quit work
- getting a warning from an employer because of a child-care problem

Of those continuous leavers who reported using some form of child care, about one-third reported one or more problems, including inability to get

- coverage for shift work
- care for infants and sick children
- coverage for summers and after school

While 70 percent of the continuous leavers were aware of the availability of child-care subsidies, only 52 percent had applied for such subsidies. And, 63 percent of those who had applied were receiving a child-care subsidy at the point they were interviewed. About 35 percent of all respondents knew they might be eligible for a child-care subsidy while in training and education after working nine months.

### **W-2 Experience**

The rate of participation in W-2 program components and services that are reported here may be lower than actual participation because of the nature of the survey.

At the time of the interview, 16 percent said they were currently in an education or training program.

W-2 participants could be assigned to a “trial job,” with an employer. About 17 percent said they had participated in a “trial job.” Of those, 59 percent said it resulted in a permanent job with that employer.

Participants could also be assigned to a “community service job,” with a higher level of supervision and job coaching. About 27 percent said they had participated in a “community service job.” A little more than 40 percent of those said the community service job had helped improve employment skills and work habits.

Finally, participants could be assigned to a “transition placement,” which includes work training and may include intensive support services to resolve a wide range of barriers to employment. About 13 percent said they had been in a transition placement. Most of those in a transition placement said the worker assigned them to the placement and about half said it was because they didn’t have job skills necessary, or that they needed services, to become employed. About half of those who had participated in a transition placement said the placement improved their employment skills.

About 43 percent of all continuous leavers said they were offered some type of skill or training in a workshop, classroom or on-the-job setting. About 25 percent said they were offered reading or writing skills and 22 percent said they were offered help getting a high school diploma equivalency certificate.

About 60 percent of the continuous leavers said they found their W-2 workers to be very or somewhat helpful. But 58 percent said the rules governing the program were somewhat or very confusing.

### **Printed Copies**

Printed copies of this second quarter report are available from the Department upon request. To request a copy please contact:

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Printed copies of the comprehensive final report, entitled *Wisconsin Works Leavers Survey: Those Who Left W-2 Cash Assistance, April 1998 through December 1998*, are also available from the Department through the contact address listed above. In addition, the final report is posted on the Wisconsin Department of Workforce Development's Web site at:

<http://www.dwd.state.wi.us/desw2/>